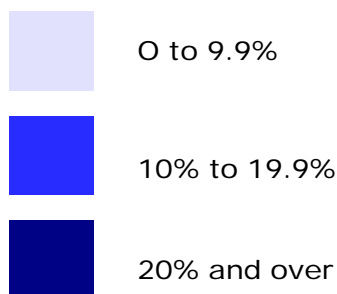
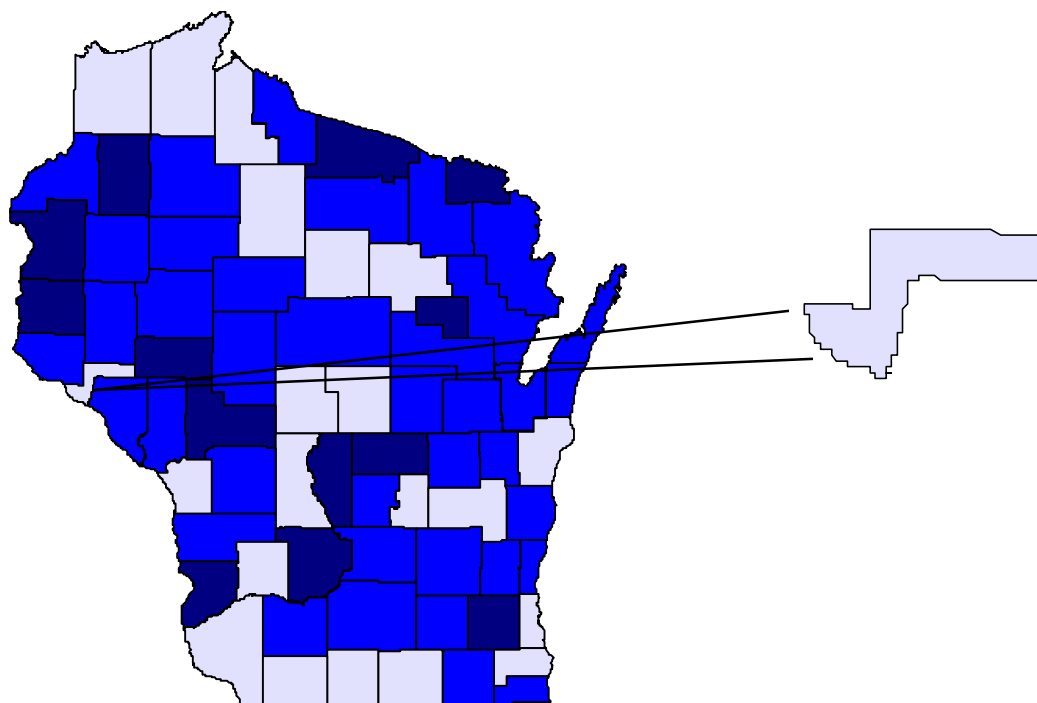


Pepin County Workforce Profile

Job Growth 1994 to 1999



Wisconsin Department of Workforce Development
Division of Workforce Solutions
Bureau of Workforce Information
October 2001



State of Wisconsin
Department of Workforce Development

Introduction

The County Workforce Profile has been developed by the Wisconsin Department of Workforce Development's (DWD) Bureau of Workforce Information (BWI) to provide a broad overview of Pepin County's labor market. The data included in this fourth year of publication is for 1999 to maintain consistency with the previous publications and to provide the user with a single year of reference in order to draw comparisons and form a picture of related labor force and employment information.

A variety of economic and demographic labor market information have been provided to describe the current labor market conditions in the counties and regions of Wisconsin. That information includes 1999 data on population, labor force, industries, employment, wages and income. The narrative describes how local conditions have changed over one-year and five-year intervals. Although population information is available from the 2000 census, it is not included in this publication since the period of time selected for all data sets is 1999. For more recent releases of information please consult the Wisconsin Department of Workforce Development Labor Market Information website: <http://www.dwd.state.wi.us/lmi>.

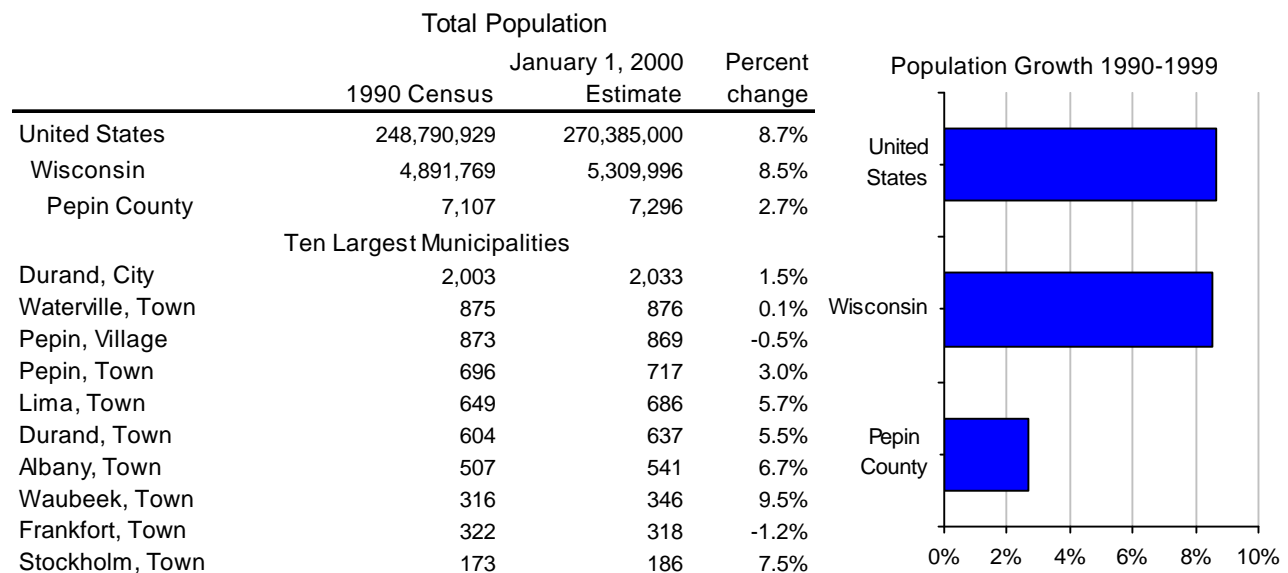
For more detailed information or clarification, please contact your local labor market analyst, Beverly Gehrke, by telephone (715-634-5289) or email (gehrkb@dwd.state.wi.us).

DWD is an equal opportunity service provider. If you need assistance to access services or material in an alternate format, please contact the analyst listed above.

Pepin County Population and Civilian Labor Force

The total population in Pepin County grew 2.7 percent from 1990 to January 2000, less than both state and national expansion. Because the area is rural and the towns are relatively small, population increases were spread throughout the county. Increases in population among the ten largest municipalities accounted for nearly all of the population growth since 1990. The increase in county population was primarily from migration with roughly 184 individuals moving into the county. The net migration rate of 2.6 percent, however, was lower than the state migration rate of 3.7 percent.

Of the 7,296 residents living in the county at the end of 1999, 5,473 (75%) were 16 years and older. Since 1990, this population segment increased by 220, while the segment aged 15 years and under decreased by 31, resulting in a net population increase of 189.

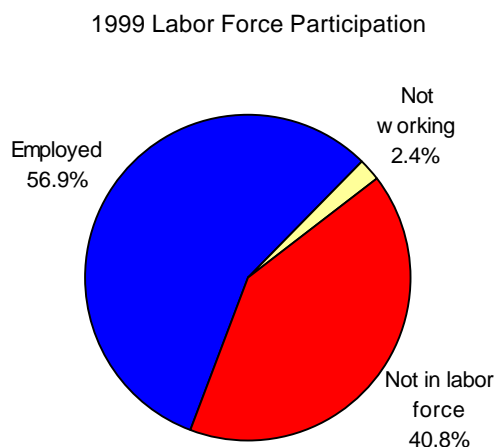


* Pepin County portion only

Source: WI Dept. of Admin., Demographic Services Center, *Official Population Estimates*, January 1, 2000

The segment of the population 16 years and older is important because the U.S. Bureau of Labor Statistics use the age of 16 as the demarcation point for entrants into the potential labor force. The labor force, by definition, includes those who are either working or looking for work, but does not include individuals who have made a choice to not work: retirees, homemakers, and students; nor does it include institutional residents, military personnel, or discouraged job seekers.

Labor force participation increases and contracts with changes in labor market conditions. For example, each spring the Pepin County labor force expands as seasonal workers enter the labor market either to begin a job or to start looking for work.



Source: Estimated from WI Dept of Administration population estimates, Jan 2000, US Census Bureau, and Local Area Unemployment Statistics

The number of residents aged 16 years and over who are in the labor market determines the labor force participation rate. In 1999, the non-institutional population 16 years and over was 5,359. Of those, 3,170 were actively participating in the labor force and the labor force participation rate fell to 59.2 percent. That is a decrease from 1990, and is below both the state and national participation rates of 72.3 and 67.1 percent, respectively.

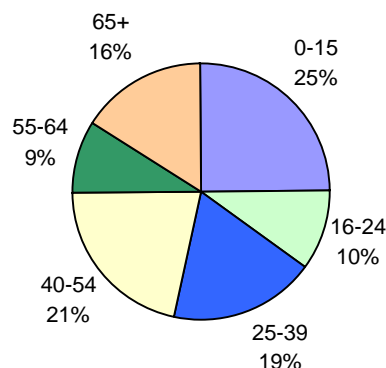
One of the main reasons for a decline in participation is that the labor force age population (16 years and over) is getting older and, as the labor force ages, participation in the labor force diminishes. In the younger population groups, the opposite is true. Teenagers are less likely to participate in the labor force because they are in school. Residents between the ages of 25-54 share the most incentives to work and have the highest participation rates. At 55, however, workers begin to withdraw from the labor market and, by 65, most workers have retired.

The second largest age group in the labor force age population (16 years and older) in 1990, the 25-39 year olds, matured into the 40-54 year old group by 1999. Over one-quarter of the labor force age population is 40-54 years old and one-third is over the age of 55. This has kept total labor force participation low and will continue to significantly effect the future labor supply in the county. By 2010, over 40 percent of the labor force age population will be over 55 years old. Participation in the labor force drops to less than 70 percent for 55-64 year olds and to less than 10 percent for those over 65 years old.

Pepin County Labor Force Age Population Distribution

Age Group	Population		Percent change
	1990 Census	1999 Estimate	
0-15	1,854	1,823	-1.7%
16-24	686	725	5.6%
25-39	1,495	1,352	-9.6%
40-54	1,137	1,562	37.4%
55-64	623	667	7.0%
65+	1,312	1,167	-11.0%

Source: Estimated from WI Dept of Admin, Demographic Services Center, Official Population Projections 1990-2020 and US Census Bureau



Pepin County Civilian Labor Force Data

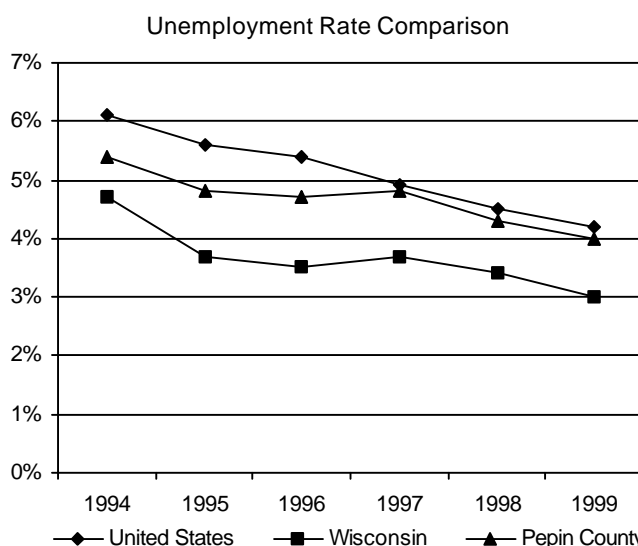
	1994	1995	1996	1997	1998	1999
Labor Force	3,500	3,500	3,500	3,500	3,400	3,200
Employed	3,300	3,300	3,300	3,300	3,300	3,000
Unemployed	190	170	160	170	150	130
Unemployment Rate	5.4%	4.8%	4.7%	4.8%	4.3%	4.0%

Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

The unemployment rate differs from the percent of the labor force age population not working. The unemployment rate is a percent of labor force participants (59.2% of the labor force age population in Pepin County) who are unemployed and actively looking for work. The number of unemployed in the county includes not only those who are receiving unemployment benefits, but also any resident who actively looked for a job and did not find it.

Out of a total labor force in Pepin County in 1999 of 3,170, 4.0 percent were unemployed. While this is higher than the state unemployment rate of 3.0 percent it is lower than the national rate 4.2 percent in 1999.

The number of employed residents declined in 1999 after four years of little change. Since total employment counts individuals (some who work more than one job) it can decline even as the number of wage and salary jobs increases. Also, the number of employed in Pepin County includes not only residents who work for employers located both in and beyond the county boundaries, but all self-employed residents and proprietors. Roughly 15 percent of the number of employed in Pepin County are farm proprietors and another 30 percent are nonfarm pro-

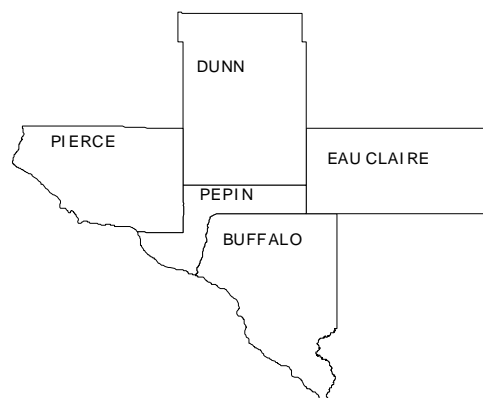


Source: WIDWD, Bureau of Workforce Information, Local Area Unemployment Statistics

prietors. Since 1994, total employed declined by 230 while the number of proprietors increased by 90. Since 1998, however, the number of proprietors declined by 40.

Pepin County Commuting Patterns

	Commute To	Commute From	Net Commute
Buffalo County	209	257	48
Dunn County	137	198	61
Eau Claire County	139	62	-77
Pierce County	161	85	-76
Minnesota	260	32	-228
Elsewhere	95	8	-87
Total	1,001	642	-359
Commute within County	2,087		



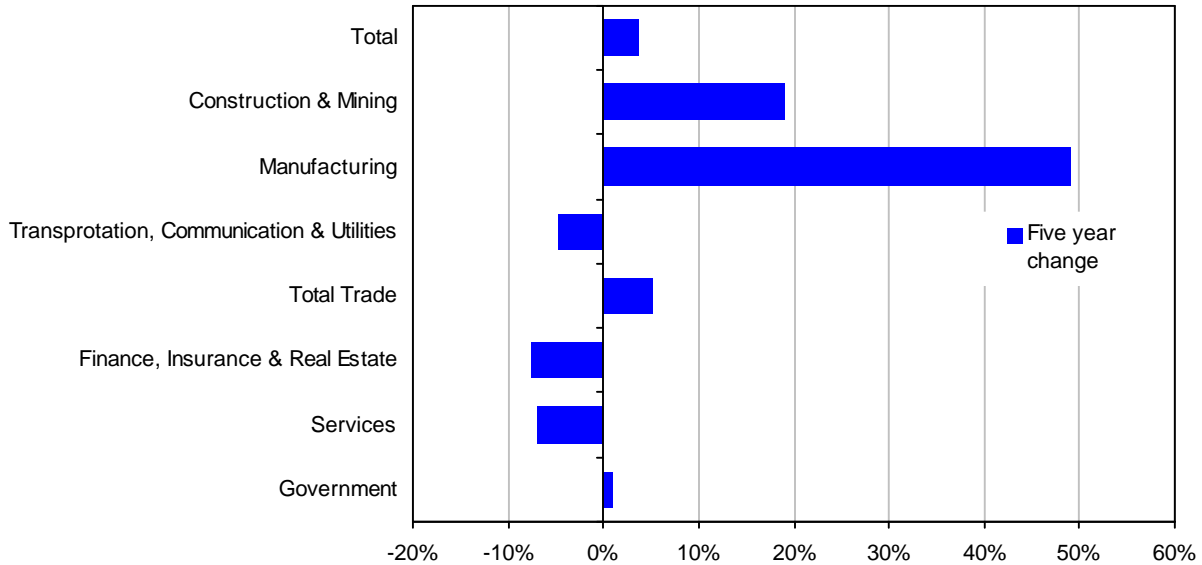
Source: WI DWD, Bureau of Workforce Information. *Wisconsin's Commuting Patterns*, 1994.

Note: Information on commuting patterns of workers is available only from decennial census data. Since 1990 the number of workers has increased and so has travel on area highways. Until the 2000 census is released, however, the only data we have remains from 1990.

The county labor force includes all employed and unemployed residents who live in the county, even though they may travel out of the county to work. In Pepin County that includes over 1,000 residents, roughly one-third of the labor force, who commute to surrounding communities for a job. The most traveled to destination is the City of Eau Claire in Eau Claire County, but nearly as many travel across the Mississippi River to Red Wing, Minnesota. Besides Red Wing, Pepin County residents travel to other Minnesota locations, making Highway 35 one of the most traveled roads by commuters.

Many of the workers who commute into Pepin County arrive from Buffalo County. Most of these commuters are headed for the City of Durand, which is also one of the primary destinations for the residents of Pepin County. These workers are headed for jobs with some of the county's largest employers.

Pepin County Employment Change by Industry 1994 to 1999



	1994	1995	1996	1997	1998	1999	Percent change	
Total	2,145	2,160	2,132	2,187	2,237	2,224	-0.6%	3.7%
Goods Producing	235	242	230	259	297	312	5.2%	32.7%
Construction & Mining	128	129	118	128	140	152	8.7%	19.0%
Manufacturing	107	113	112	131	157	160	2.1%	49.0%
Durable	69	61	61	79	90	89	-1.5%	29.6%
Nondurable	39	52	50	52	66	71	6.9%	83.6%
Service Producing	1,909	1,919	1,902	1,929	1,940	1,911	-1.5%	0.1%
Transportation, Communications & Utilities	122	104	116	111	102	116	14.2%	-4.7%
Total Trade	739	751	735	779	769	778	1.2%	5.3%
Wholesale	275	278	273	295	295	286	-3.1%	3.9%
Retail	464	473	462	484	474	492	3.8%	6.1%
Finance, Insurance, and Real Estate	71	69	69	66	65	66	0.8%	-7.6%
Services & Misc.	451	452	431	425	460	420	-8.6%	-6.9%
Total Government	526	543	550	547	544	531	-2.3%	0.9%

Source: WIDWD, Bureau of Workforce Information, Nonfarm Wage & Salary estimates.

Note: Nonfarm wage and salary employment measures the number of jobs within a county excluding family farming, military, and proprietors. This data, often referred to as 'place of work' data, indicates the number of jobs at the work site without consideration of where the jobholder lives.

Pepin County nonfarm wage and salary employment lagged state growth at both the one- and five-year intervals. From 1998 to 1999, with the number of jobs declining by 15, county employment decreased 0.6 percent compared with the state increase of 2.4 percent. Over the five-year interval state employment increased 11.8 percent, more than triple county growth. Most of the county job growth during both time periods occurred in the construction; transportation communication and utilities; and retail trade industry divisions. Many of the other industry divisions lost jobs from 1998-1999. However, over half of the increase from 1994 to 1999 occurred in manufacturing.

Ninety-six percent of the jobs, but none of the increase from 1994 to 1999, were with employers in the service producing sector. Within this sector, employment with retail trade did increase, but most of that expansion occurred in 1997. Wholesale trade employment in the county comprises a much larger share than in the state, and is growing. Over 14 percent of the county's jobs are with wholesale trade employers compared with 5 percent statewide. However, growth in this industry slowed in the last year and no longer exceeds statewide growth. It is still included in the list of the largest industries in the county and is represented among the county's largest employers.

Pepin County's Largest Industries and Employers

Top 10 Industry Groups

Industry Group	March 2000		Numerical Change	
	Employers	Employment	1 Year	5 Years
Educational Services	*	*	*	*
Health Services	7	246	1	-33
Wholesale Trade-Durable Goods	9	177	2	30
Eating And Drinking Places	16	157	-32	-66
Automotive Dealers & Service Stations	10	135	-5	20
Wholesale Trade-Nondurable Goods	6	101	-6	-14
General Building Contractors	9	76	-1	15
Food Stores	*	*	*	*
Local And Interurban Passenger Transit	3	64	*	24
Lumber And Wood Products	4	61	5	*

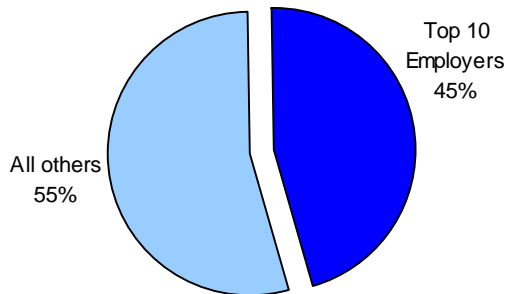
*data suppressed to maintain confidentiality

Top 10 Employers

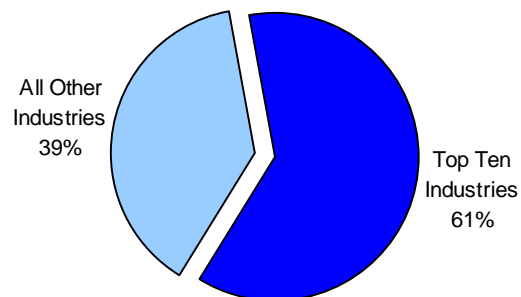
Company	Product or Service	Size
School District of Durand	Education	100-249
Chippewa Valley Hospital & Oakview Care Center	Health care services: hospital & nursing care	100-249
Bauer Built Inc	Wholesale trade: motor vehicle parts/supplies	100-249
County of Pepin	Executive and general government	100-249
Countryside Coop	Wholesale trade: farm supplies	50-99
Pepin Public School	Education	50-99
TLC Health Care Inc	Health care services: nursing care	50-99
Ericksons IGA	Food stores: groceries	50-99
Harbor View Cafe	Eating & drinking place	20-49
Durand Builders Service Inc	General building construction	20-49

Source: WI DWD, Bureau of Workforce Information Bureau, ES-202 file tape, 1st quarter 1999 and LMI benchmark 2000.

Top 10 Employers Share of Nonfarm Employment



Top 10 Industry Groups Share of Nonfarm Employment

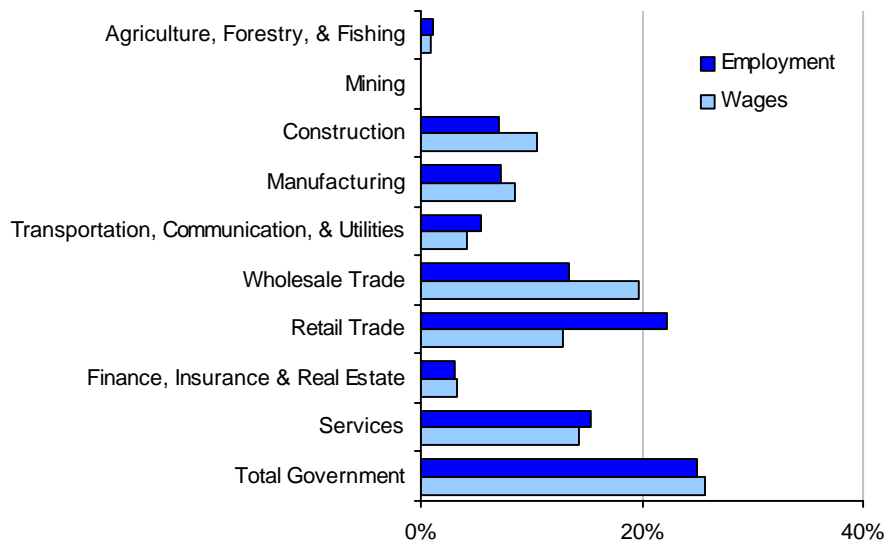


There are 211 employers in Pepin County, and ten of them provide almost half the jobs. Two of the largest employers are in the education services group, the largest industry group in the county. Education services includes both public and private institutions and employment is most often included with the larger government sector since most schools are funded by local taxes. Employment with private education facilities is included in the services industry division. Two employers on the list provide health services, the second largest industry group. Three industry groups are included with retail trade employment: eating and drinking places, automotive dealers and service stations, and food stores. Both the durable and nondurable goods groups in wholesale trade portray the strength of the industry in the county. In many counties, employers from wholesale and retail trade are too small to be included on the list of largest employers. Pepin County, nevertheless, has two wholesale trade and two retail trade employers on the list. The manufacturing division, which provides only eight percent of total employment, is represented by lumber and wood products on the industry list.

Pepin County Employment and Wages 1999

	Annual Average Wage	State Average Wage	Percent of State Average	Percent change 1 year	Percent change 5 year	Number of Workers
All Industries	\$22,722	\$29,609	76.7%	4.5%	22.7%	2,151
Agriculture, Forestry, & Fishing	\$19,169	\$21,499	89.2%	-0.1%	20.7%	24
Mining	*	\$39,968	*	*	*	*
Construction	\$33,848	\$36,772	92.0%	8.8%	32.6%	152
Manufacturing	\$26,687	\$37,773	70.7%	10.0%	21.7%	155
Transportation, Communications, & Utilities	\$17,333	\$34,523	50.2%	-1.1%	13.8%	117
Wholesale Trade	\$33,486	\$38,048	88.0%	1.6%	27.7%	289
Retail Trade	\$13,079	\$15,066	86.8%	14.8%	28.7%	480
Finance, Insurance, & Real estate	\$23,244	\$37,911	61.3%	-10.8%	10.8%	68
Services	\$21,291	\$26,041	81.8%	6.8%	17.7%	329
Total Government	\$23,398	\$32,017	73.1%	1.0%	15.1%	537

Total Employment and Wage Distribution by Industry Division



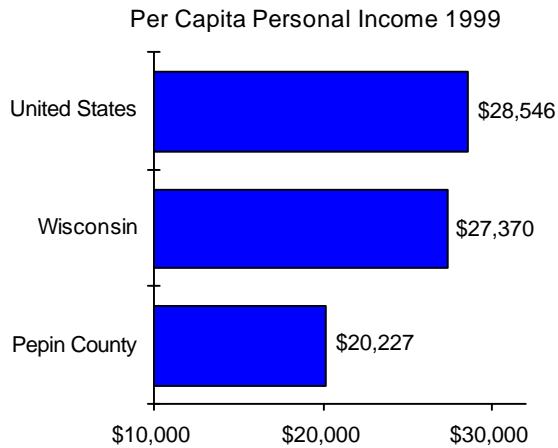
Source: WI DWD, Bureau of Workforce Information, *Employment, Wages and Taxes Due covered by Wisconsin's U.C. Law, Tables 209-211*.

Note – The data from Employment and Wages Covered by Wisconsin's Unemployment Insurance Law differs from employment data in the nonfarm wage and salary estimates because: 1) multi-location employers report all workers and wages at a single site, i.e., retail franchises; 2) not all employers are covered by the unemployment insurance law and therefore are not included in this data, i.e., railroads, parochial schools.

Generally, the industries with the most workers also report the highest wages. This is true in Pepin County where the highest payroll of \$12,564,521 was in government which also has the most workers. With roughly half the workers as government, the second highest payroll at \$9,677,337 was in wholesale trade. Retail trade has the second greatest number of workers, but because many are part time and wages are low, the total payroll was only \$6,277,706. The total payroll for all industries was \$48,874,305 and, when divided by 2,151 jobholders, produced an annual average wage of \$22,722.

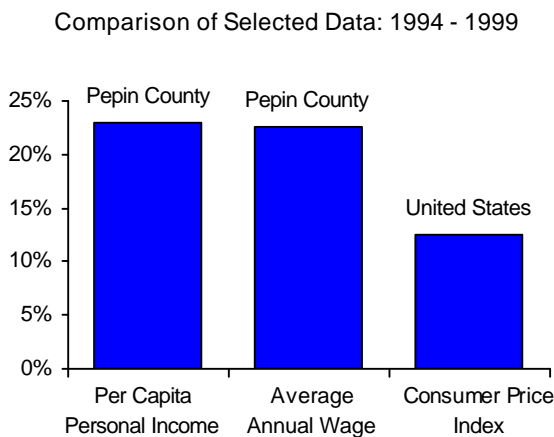
Workers in construction earned the highest annual average wage and came closest to wages earned for similar work statewide. Annual wages for construction workers increased 32.6 percent in the five-year period, the greatest increase of any industry. The greatest disparity in earnings appeared in transportation, communication, and utility workers where many are employed seasonally. Overall, wages in the county were 77 percent of state annual average wage of \$29,609, better than last year. County increases in annual average wages exceeded the state increase of 3.8 percent from 1998 to 1999, and the 21.7 percent increase over the five-year period.

Pepin County Wage and Income Data



The per capita personal income (PCPI) includes total income from wages and self-employment, assets (dividends, interest, rent), and transfer payments (social security, insurance, welfare) divided by total population. In 1999, the PCPI in Pepin County was 74 percent of the state's, and was lower than 54 other Wisconsin counties.

The PCPI in Pepin County, which increased 23 percent in the last five years, lagged both national and state five-year increases of 26.4 and 26.1 percent, respectively. Annual increases in the PCPI also lagged both national and state increases in three of the last five years, including 1999.



Growth in the county PCPI barely exceeded the increase in annual average wages from 1994-1999. Net earnings are 61 percent of total personal income (TPI) and include, not only wages of residents (many who work more than one job), but also self-employment and proprietor's income. Net earnings increased 33 percent from 1994 to 1999, better than the increase in annual wages and better than the increase statewide of 29 percent. However, income from assets, 20 percent of TPI, increased only 17 percent, and transfer payments, 19 percent of TPI, also rose 17 percent. Comparatively, assets statewide increased 41 percent and transfer payments increased 19 percent.

	Per Capita Personal Income						Percent Change	
	1994	1995	1996	1997	1998	1999	1 year	5 year
United States	\$22,581	\$23,562	\$24,651	\$25,874	\$27,321	\$28,546	4.5%	26.4%
Wisconsin	\$21,699	\$22,573	\$23,554	\$24,791	\$26,227	\$27,370	4.4%	26.1%
Pepin County	\$16,443	\$16,712	\$18,100	\$18,277	\$19,560	\$20,227	3.4%	23.0%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Selected Occupational Wage Data		
	Mean	Median
Bookkeeper/account clerk	\$ 10.37	\$ 10.06
Cashier-checker	6.72	6.40
Inspector/tester, production	11.86	11.33
Janitor/cleaner	8.70	8.24
Machine feeder/offbearer	7.90	7.75
Machinist	14.59	14.67
Maintenance repairer, general	12.43	11.97
Nurse aide	8.74	8.41
Parts salesperson	11.73	11.14
Receptionist	8.38	8.21
Registered nurse	18.54	17.99
Retail salesperson	8.40	7.09
Secretary	10.42	10.39
Shipping/receiving/traffic clerk	9.69	9.11
Veterinary assistant	6.27	6.23

Source: DWD, Bureau of Workforce Information 1999 OES wage survey for Balance-of-State (non-MSA) counties.

The wages for the selected occupations in this table were reported by employers in non-metropolitan counties in the state who responded to the Occupational Employment Statistics (OES) survey. Employers from all Wisconsin counties participated in the survey but published data was limited to MSAs and a grouping of 'balance-of-state' (BOS) counties. For comparison, the annual average wage of workers in Pepin County was 92 percent of that for workers in all BOS counties. However, that varies by industry from 116 percent in the wholesale trade division to 57 percent in transportation, communication and utilities.

Wages play a critical role in the economy as both workers and employers try to capitalize their worth. The labor shortage has placed additional pressure on wages and those occupations with a mean (average) and median (mid-point) wage relatively close reflect that. Mean wages include both very low and high wages, but as the labor market tightens employers offering low wages migrate closer to the mid-point.